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**Farmers Need Certificate to Obtain Sales Tax Exemption on Farm Machinery and Equipment Replacement Parts**

**OLYMPIA, Wash.**, June 7, 2006 — Beginning July 1, eligible farmers will no longer have to pay sales tax on the purchase of replacement parts for farm machinery and equipment, but only if they obtain a tax exemption certificate from the Department of Revenue.

So far, only about 500 farmers have applied for the certificates, while as many as 30,000 may qualify. The certificates must be presented to retailers prior to purchase to receive the sales tax exemption.

The Department encourages farmers to download certificate applications from <http://dor.wa.gov/content/home/TaxTopics/NewFarmExemptions.aspx> and submit them to the Department for approval. Farmers who do not have Internet access can call 1-800-647-7706 to obtain applications.

Care should be taken to provide complete supporting documentation, such as a complete federal schedule F or form 1120S for corporations and partnerships. Incomplete applications cannot be approved.

To qualify for the exemption, farmers must annually sell at least \$10,000 in agricultural products that they've grown, raised, or produced. The exemption is expected to save farmers about \$8.4 million per year.

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